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C O R R E C T E D C O P Y (SUBJECT CHANGE)

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TAGS: [PGOV](#) [PREL](#) [PREF](#) [EAID](#) [KDEM](#) [UNMIK](#) [YI](#)  
SUBJECT: UPDATE ON KOSOVO PRIORITY STANDARDS

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11. (SBU) SUMMARY: Kosovo's Provisional Institutions of Self-Government (PISG) are finding it difficult to close the book on the remaining Contact Group (CG) Priorities for Standards. We believe all CG offices here would agree that at least nine of the 13 Priorities are complete and that the only thing keeping us from ten is the failure of the PISG to reconstruct or compensate owners for the estimated 24 commercial properties damaged during the March 2004 violence.

We at USOP also part ways with the Russian office here, believing that PISG assistance to UNMIK on prosecutions from the March 2004 violence has been completed, bringing our tally to ten. More needs to be done on the two Priorities relating to the property rental scheme and enforcement of housing ownership decisions. PM Ceku's principal adviser has promised to finish up on commercial property damaged in March 2004 by the end of March, at which time we also expect completion of the appeals process for the 672 property claims currently outstanding. END SUMMARY.

Dispute over which standards have been completed

12. (SBU) On January 26 PM Agim Ceku convened local Contact Group representatives and announced that from the government's point of view, the 13 priorities for Standards implementation are complete. In its draft Technical Assessment, UNMIK proposed defending the government's claim "considering that points 3 (rental scheme) and 4 (implementation of Kosovo Property Agency decisions) fall under the Kosovo Property Agency and police, neither of which are under government control." It added that regarding points 7 (investigations of and prosecutions for March 2004 violence), "it is difficult to envisage under what circumstances the March 2004 investigations can ever be declared complete, since the possibility of new evidence and

new prosecutions will always be present." We convinced UNMIK to delete this language, none of which was contained in the Technical Assessment delivered in New York.

13. (SBU) We believe that three of the 13 priorities are still outstanding; the British office here in Pristina is of the view that only two are outstanding, and the Russian office is holding firm on four. The other Contact Group liaison offices have never expressed opinions on the matter, but we believe they too would agree that there are three outstanding.

PISG finally agrees to deal with commercial properties

14. (SBU) After our January 19, 2007 trip to Svinjare, all of the CG representatives agreed that reconstruction is finished at Svinjare, a Kosovo Serb area heavily damaged during the March 2004 violence. However, no one -- including Kosovo's Provisional Institutions of Self Government (PISG) -- has focused on the other half of that priority, repair of or compensation for 24 commercial properties throughout Kosovo also damaged in March 2004. UNMIK essentially has checked off this standard in its Technical Assessment out of fear that any reconstruction that is not occupied will be vandalized, but PM Ceku's advisor Avni Arifi told us they have simply run out of money because of cost overruns related to the work in Svinjare. The British and Russian offices share our view that this Priority is only partially completed and the Kosovo government needs to do more on the commercial property aspect. An international who performed an assessment of the commercial properties in 2005 confirmed that there are up to 24 properties, but that most of the larger ones in Fushe Kosova/Kosovo Polje have already been rebuilt. He said that an UNMIK estimate of 10,000 euros per property is high. With prodding from us, PM adviser Arifi told us recently that in the near future the PISG would set up a Commission or some other vehicle to determine damages, with the government then putting that amount of money in escrow.

Priorities relating to property still a problem

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15. (SBU) According to UNMIK's latest assessment, the Kosovo Property Agency (KPA) has extended the rental scheme to all of the 5,247 residential properties currently under its administration. The head of KPA informed us that as of March 1, 2007 it has contacted 2,182 of the 3,500 known property rights holders and 1,627 of them have consented to have their property included into the scheme. Forty nine occupants are paying rent and 26,001 euros have been collected, of which 19,000 have already been sent by KPA to the property owners. The first 12 evictions of occupiers who declined to pay rent were also carried out in January, after which the KPA initiated an outreach campaign to identify tenants for these properties. We do not believe that, with less than one percent level of participation, this Priority can be considered implemented. The Russian office agrees with us, but the British office does give the PISG the nod for setting up the rental scheme, although its representative notes this could change if more people currently occupying properties owned by others do not begin to pay rent.

16. (SBU) According to the KPA's latest figures, there are still 672 decisions by its predecessor, the Housing Property Directorate, that remain on appeal and must then be implemented. KPA head Knut Rosandhaug stated at the March 1 meeting of the Property Rights Standards working group that the Housing and Property Claims Commission (HPCC) will render decisions on these appeals when it meets the third week in March 2007. None of the liaison offices here count this Priority as being completed despite the fact that it is the HPCC -- not the PISG -- that is holding things up. The KPA is generally satisfied with the cooperation it is receiving from the Kosovo Police Service (KPS) in carrying out

evictions and preventing re-occupations. After we raised with UNMIK officials in December 2006 the failure of UNMIK CivPol to implement Standard Operating Procedures (SOPs) developed in August 2006 for the KPS to use to deter and remedy re-occupation after eviction, and subsequent to UNMIK's Legal Advisor issuing an opinion that a prosecutor is not required to carry out any subsequent removals of illegal occupants or re-occupants of KPA-administered properties, the UNMIK Police Commissioner finally approved the SOPs in February 2007. Unfortunately, the UNMIK Police Commissioner resigned after the February 10 demonstrations in Pristina, before he could implement the new standard operating procedures.

PISG has done what we asked on March 2004 prosecutions

¶7. (SBU) On January 16 PM Ceku convened a meeting with the Minister of Justice, the President of the Supreme Court and the Chief Prosecutor at which they issued a joint statement calling for witnesses to cooperate with police investigating the March 2004 violence and publicized various means available to the public to give information to the police. The British office agrees that this satisfies the letter of the CG Priority, but the head of the Russian office here takes a more principled view that they do not care about the actual language of the CG Priority, but rather they and Moscow are interested in results.

¶8. (SBU) Cases related to the March 2004 violence continue to be brought. UNMIK announced February 28 that an international prosecutor filed an indictment in the Pristina District Court on February 20 against five Kosovo Albanians for their role in allegedly burning down several buildings in Fushe Kosova/Kosovo Polje during the March 2004 riots. These additional suspects mean that a total of eleven persons are currently under investigation for these crimes.

¶9. (SBU) COMMENT: All CG offices here agree that nine of the 13 Priorities are complete and that the only thing keeping us from ten is the Kosovo government's reluctance to figure out how much it will cost to reconstruct or compensate owners for the estimated 24 commercial properties damaged during the March 2004 violence. PM Ceku adviser Arifi has promised that the government will set up a new Commission or other vehicle

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to determine how much money is necessary and then will set that amount aside in escrow. We will continue to press the PM's office on completing this Priority. While we are willing to consider the CG Priority concerning assistance to UNMIK on prosecutions from the March 2004 violence complete, the Russians will probably never agree, since they believe the high-level people truly responsible for the violence will never be charged.

¶10. (SBU) At this point, the two Priorities relating to the property rental scheme and enforcement of KPA decisions cannot be counted as accomplished. These two are also the most important for Kosovo Serbs since the processes involved will help secure their property and even put some money in their pockets from rental payments to which they are entitled. Our unrelenting pressure on the government and the KPA have been the driving force on getting the rental scheme up and running and promulgating the new SOPs for evictions and re-occupancies through the UNMIK bureaucracy. The property-related standards, however, cannot be considered complete until the KPA has finalized its appeals process and the police have enforced these remaining decisions. The Kosovo government has finally realized the importance of getting the KPA to finish its work and has recently proposed a strong candidate to fill the job as deputy director of the KPA, a job that had been unfilled for almost a year. END COMMENT.

¶11. (SBU) U.S. Office Pristina clears this cable in its entirety for release to U.N. Special Envoy Martti Ahtisaari.

